

CUMULATIVE SUMMARY OF MONTHLY APPLICATIONS OF WARREN H. SMITH & ASSOCIATES, P.C. FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FEBRUARY 4, 2014 THROUGH OCTOBER 20, 2014:

| Period Covered | Requested | | Paid | |
|---------------------------------------|---------------------|--------------------|---------------------|--------------------|
| | Fees | Expenses | Fees | Expenses |
| February 4, 2014 – February 28, 2014 | \$6,533.50 | \$207.02 | \$6,533.50 | \$132.80 |
| March 1, 2014 – March 31, 2014 | \$14,050.00 | \$823.66 | \$14,050.00 | \$823.66 |
| April 1, 2014 – April 30, 2014 | \$17,841.50 | \$388.65 | \$17,841.50 | \$388.65 |
| May 1, 2014 – May 31, 2014 | \$43,509.50 | \$813.50 | \$43,509.50 | \$813.50 |
| June 1, 2014 – June 30, 2014 | \$46,131.00 | \$1,118.84 | \$46,131.00 | \$1,118.84 |
| July 1, 2014 – July 31, 2014 | \$57,846.50 | \$5,151.25 | \$57,846.50 | \$5,151.25 |
| August 1, 2014 – August 31, 2014 | \$26,554.00 | \$1,743.84 | \$26,554.00 | \$1,743.84 |
| September 1, 2014– September 30, 2014 | \$12,507.00 | \$575.89 | \$00.00 | \$00.00 |
| October 1, 2014 – October 20, 2014 | \$7,738.00 | \$782.88 | \$00.00 | \$00.00 |
| TOTALS: | \$232,711.00 | \$11,605.53 | \$212,466.00 | \$10,172.54 |

CUMULATIVE COMPENSATION SUMMARY BY PROJECT CATEGORY:

| Project Category | Total Hours For The Period 02/04/14 – 10/20/14 | Total Fees For The Period 02/04/14 – 10/20/14 |
|-------------------------|---|--|
| Accounting/Auditing | 926.60 | \$225,475.50 |
| Fee Application | 60.40 | \$7,235.50 |
| Total | 987.00 | \$232,711.00 |

CUMULATIVE EXPENSE SUMMARY:

| Expense Category | Total Expenses for the Period 02/04/14 - 10/20/14 |
|--|--|
| Copying Cost | \$746.70 |
| Third Party Copies & Document Mailing | \$8,037.43 |
| PACER Research | \$2,761.40 |
| Court Call | \$60.00 |
| TOTAL | \$11,605.53 |

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

| | | |
|--|---|--------------------------------|
| In re |) | Chapter 11 |
| W. R. GRACE & CO., <i>et al.</i>, |) | |
| Debtors. |) | Jointly Administered |
| |) | Case No. 01-01139 (KJC) |

**FIRST POST-EFFECTIVE DATE ADMINISTRATIVE FEE AND EXPENSE REQUEST
OF WARREN H. SMITH & ASSOCIATES, P.C., AS FEE AUDITOR, FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and Official Committee Members, dated April 17, 2002 (the “Administrative Order”), the Order Appointing Fee Auditor and Establishing Related Procedures Concerning the Allowance of Payment of Compensation and Reimbursement of Expenses of Applicants and Consideration of Fee Applications, dated March 18, 2002 (the “Fee Auditor Order”), and the Recommended Findings of Fact, Conclusions of Law and Order Regarding Confirmation of First Amended Joint Plan of Reorganization as Modified through December 23, 2010, dated January 31, 2011 (the “Confirmation Order”), the law firm of Warren H. Smith & Associates, P.C. (“WHSA”), hereby files this First Post-Effective Date Administrative Fee and Expense Request of Warren H. Smith & Associates, P.C., as Fee Auditor, for Allowance of Compensation and Reimbursement of Expenses (the “Application”). By this Application, WHSA seeks that this Honorable Court award it reasonable compensation for professional legal services rendered as fee auditor for the estates of W. R. Grace & Co., et al. (“Debtors”) in the amount of \$232,711.00, together with reimbursement for actual and necessary expenses incurred in the amount of \$11,605.53 for the period

commencing February 4, 2014 through October 20, 2014 (the "Application Period"). In support of its Application, WHSA respectfully states as follows:

BACKGROUND

1. On April 2, 2001, the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the United States Bankruptcy Code (the "Code"), 11 U.S.C. §§ 101 *et seq.*, as amended. The Debtors continued in possession of their assets and were authorized to operate and manage their respective businesses pursuant to Bankruptcy Code §§ 1107 and 1108.

2. On March 18, 2002, this Court signed the Fee Auditor Order, approving the retention of WHSA as fee auditor for the Debtors. The Fee Auditor Order authorized WHSA to be compensated: "the lesser of (a) the ordinary hourly rate of the Fee Auditor for services of this nature or (b) 1% of the aggregate Applicant billings (fees and expenses) reviewed by the Fee Auditor that are subject to this Order over the life of these Chapter 11 Cases." WHSA notes that it has reviewed all professionals' fees and expenses through the Fifty-Second Interim and Final Application Periods, which fees and expenses total \$531,022,792.43. As 1% of that total is \$5,310,227.92, WHSA would note that it is under the 1% cap.¹

3. On or about January 31, 2011, the Court entered the Confirmation Order, pursuant to which, WHSA was to file its administrative fee and expense request after completion of its review of the professionals' final fee applications.

4. On or about October 20, 2014, the Court entered its order approving the final fee applications of the professionals, including that of WHSA, for work performed and expenses incurred up to and including the February 3, 2014, Effective Date of the Debtors' Plan.

¹ WHSA's requested compensation of \$232,711.00, plus its final fee request of \$3,070,774.77 for work performed through the February 3, 2014 Effective Date, totals \$3,303,485.77 and is well under 1% of the fees reviewed in these cases.

5. WHSA believes that its work in these cases is now substantially complete. There is only one applicant, the Official Committee of Property Damage Claimants (the “PD Committee”), who has not yet agreed to WHSA’s recommendations and whose final expense application has not yet been approved by the Court. Accordingly, WHSA is filing this administrative fee and expense request in accordance with Paragraph II.B.2. of the Confirmation Order.²

COMPENSATION PAID AND ITS SOURCE

6. All services for which compensation is requested by WHSA were performed for or on behalf of the bankruptcy estate and the Debtors and not on behalf of any committee, creditor or other person.

7. Other than interim payments from the Debtors set forth in the notice, above, WHSA has received no payment or promise for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases, and there is no agreement or understanding between WHSA and any other person other than members of the firm for the sharing of compensation to be received for services rendered in these cases.

SUMMARY OF SERVICES PROVIDED

5. Attached hereto as Exhibits B through J are WHSA’s billing statements for the Application Period. These statements contain detailed daily time logs describing the time expended by each attorney and paraprofessional for the Application Period.

² Paragraph II.B.2. of the Confirmation Order provides:

The Fee Auditor shall file his administrative fee and expense request no later than 60 days after completing reviews of all other professional fee and expense applications, including reviews of revisions made in response to the Fee Auditor’s comments.

6. To the best of WHSA's knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Guidelines adopted by the Office of the United State Trustee, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the Administrative Order.

7. The professionals of WHSA who have rendered professional services to the Debtors during the Application Period are Warren H. Smith, Bobbi Ruhlander, and Mark W. Steirer. The paraprofessional of WHSA who has rendered professional services to the Debtors in these cases during the Application Period is James A. Wehrmann.

DISBURSEMENTS

8. WHSA has incurred \$11,605.53 in disbursements for the Application Period for copies, Pacer research, Court Call, and third-party copies and document mailing expenses.

VALUATION OF SERVICES

9. During the Application Period, WHSA expended a total of 60.4 hours calculating its own compensation for total fees of \$7,235.50. The rates charged by each professional during the Application Period are set forth in Exhibit A. These rates are equal to or below WHSA's normal hourly rates of compensation for work of this character. Attorneys and paraprofessionals of WHSA have expended a total of 987.00 hours in connection with this matter during the Application Period. The reasonable value of the services rendered by WHSA for the Application Period in these cases under Chapter 11 is \$232,711.00.

10. In accordance with the factors enumerated in 11 U.S.C. §§ 330, the amount of fees and expenses requested by WHSA is fair and reasonable given (a) the complexity of these cases, (b) the time

expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

11. The undersigned, Warren H. Smith, has reviewed the requirements of Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and states that this application complies with that rule.

WHEREFORE, WHSA respectfully requests that a final allowance be made to it in the amount of \$232,711.00 as compensation for necessary professional services rendered, and the sum of \$11,605.53 as reimbursement of actual necessary costs and expenses, for a total of \$244,316.53 for the period commencing February 4, 2014 through October 20, 2014, that such sums be authorized for payment, and for such other and further relief as this Court may deem just and proper.

Dated: October 21, 2014

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____

Warren H. Smith
Texas State Bar No. 18757050

2235 Ridge Road, Suite 105
Rockwall, Texas 75087
(214) 698-3868
(214) 722-0081 (fax)
whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I, Warren H. Smith, caused the preceding document to be served by First Class United States mail on the persons on the attached service list on this 22nd day of October, 2014.



Warren H. Smith

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

| | | |
|-----------------------------------|---|-------------------------|
| In re | } | Chapter 11 |
| W.R. GRACE & CO., <i>et al.</i> , | | Case No. 01-01139 (KJC) |
| Debtors. | | Jointly Administered |
| | | |

**ORDER APPROVING FIRST POST-EFFECTIVE DATE ADMINISTRATIVE
FEE AND EXPENSE REQUEST OF WARREN H. SMITH & ASSOCIATES, P.C.,
AS FEE AUDITOR, FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES**

AND NOW, this _____ day of _____, 2014, upon consideration of the First Post-Effective Date Administrative Fee and Expense Request of Warren H. Smith & Associates, P.C., for Allowance of Compensation and Reimbursement of Expenses (the "Application") dated October 21, 2014, the Court having been satisfied that the interim compensation and reimbursement requested therein is reasonable and justified given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services and (e) the costs of comparable services in cases other than cases under Title 11, and after notice and a hearing;

IT IS HEREBY ORDERED that the Application is given final approval and that the Reorganized Debtors, or their successors in interest, are authorized and directed to pay to Warren H. Smith & Associates, P.C., the sum of \$232,711.00 as compensation for necessary professional services rendered for the period February 4, 2014 through October 20, 2014, and the sum of \$11,605.53 for reimbursement of actual and necessary costs and expenses incurred for the same period.

The Honorable Kevin J. Carey
United States Bankruptcy Judge

EXHIBIT A

| <u>Timekeeper</u> | <u>Position</u> | <u>Hours</u> | <u>Rate</u> | <u>Total Fees</u> |
|--------------------------|--|---------------------|--------------------|--------------------------|
| Warren H. Smith | Principal of firm formed in 2001. Member Texas Bar since 1987, Illinois Bar since 1979 | 27.8 | 335 | \$9,313.00 |
| Bobbi S. Ruhlander | Member of Texas Bar since 1990; member of Oklahoma Bar since 1983 | 523.1 | 310 | \$162,161.00 |
| Mark W. Steirer | Member of Texas Bar since 1991 | 0.5 | 300 | \$150.00 |
| James A. Wehrmann | Legal Assistant since 1989 | 276.2 | 175 | \$48,335.00 |
| James A. Wehrmann | Legal Assistant since 1989 | 159.4 | 80 | \$12,752.00 |

Total Hours: 987.00

Total Fees: \$232,711.00

Exhibit B

SEE ATTACHED

Exhibit C

SEE ATTACHED

Exhibit D

SEE ATTACHED

Exhibit E

SEE ATTACHED

Exhibit F

SEE ATTACHED

Exhibit G

SEE ATTACHED

Exhibit H

SEE ATTACHED

Exhibit I

SEE ATTACHED

Exhibit J

SEE ATTACHED